

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 3075 - HB 3126**

March 4, 2010

**SUMMARY OF BILL:** Authorizes anyone who terminates a Medicare supplement policy within 30 days of the annual policy anniversary date to purchase another Medicare supplement policy during the 30 day period. Prohibits an issuer of a Medicare supplement policy from denying or conditioning the issuance or effectiveness of any policy or discriminating in the pricing of a policy because of the health status, claims experience, or receipt of health care or medical condition of an applicant. This prohibition applies to an applicant whose application is submitted prior to or during the six-month period beginning with the first day of the first month in which the applicant is both 65 years old or older and enrolled in benefits under Medicare or within 30 days of an annual policy anniversary date in which the applicant is currently enrolled. The provisions of the legislation will apply to any Medicare supplement policy that is purchased or renewed on or after July 1, 2010.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Not Significant**

Assumptions:

- The Department of Commerce and Insurance will be responsible for the administration and enforcement of the provisions of the bill.
- The Department will review and approve forms, policies, certificates, and contracts to ensure compliance.
- According to the Department, enforcement will be accomplished primarily through the receipt and investigations of complaints.
- Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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/kml